# **House of Representatives**



General Assembly

File No. 56

1

February Session, 2016

Substitute House Bill No. 5228

House of Representatives, March 17, 2016

The Committee on Government Administration and Elections reported through REP. JUTILA of the 37th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## AN ACT CONCERNING THE NOTIFICATION OF DEPARTMENT OF ADMINISTRATIVE SERVICE PROJECTS AND THE DEFINITION OF "PROJECT".

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (b) of section 4b-24b of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (Effective July
- 1, 2016):
- 4 (b) The commissioner may designate projects to be accomplished on
- 5 a total cost basis for (1) new facilities to provide for the substantial
- 6 space needs of a requesting agency, (2) the installation of mechanical
- 7 or electrical equipment systems in existing state facilities, or (3) the
- 8 demolition of any state facility that the commissioner is authorized to
- 9 demolish under the general statutes. If the commissioner designates a 10 project as a designated total cost basis project, the commissioner may
- 11
- enter into a single contract with a private developer which may
- 12 include such project elements as site acquisition, architectural design

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13 and construction. The commissioner shall select a private developer 14 from among the developers who are selected and recommended by the 15 award panels established in this subdivision. All contracts for such 16 designated projects shall be based on competitive proposals received 17 by the commissioner, who shall give notice of such project, and 18 specifications for the project, by [advertising, at least once, in a 19 newspaper having a substantial circulation in the area in which such 20 project is to be located posting notice on the State Contracting Portal. 21 No contract which includes the construction, reconstruction, alteration, 22 remodeling, repair or demolition of any public building for work by 23 the state for which the total cost is estimated to be more than five 24 hundred thousand dollars may be awarded to a person who is not 25 prequalified for the work in accordance with section 4a-100. The 26 commissioner shall determine all other requirements and conditions 27 for such proposals and awards and shall have sole responsibility for all 28 other aspects of such contracts. Such contracts shall state clearly the 29 responsibilities of the developer to deliver a completed and acceptable 30 product on a date certain, the maximum cost of the project and, as a 31 separate item, the cost of site acquisition, if applicable. No such 32 contract may be entered into by the commissioner without the prior 33 approval of the State Properties Review Board and unless funding has 34 been authorized pursuant to the general statutes or a public or special 35 act.

- Sec. 2. Section 4b-55 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):
- As used in this section, section 4b-1, as amended by this act, and sections 4b-56 to 4b-59, inclusive, unless the context clearly requires otherwise:
- [(a)] (1) "Commissioner" means the Commissioner of Administrative Services;
- [(b)] (2) "Consultant" means [(1)] (A) any architect, professional engineer, landscape architect, land surveyor, accountant, interior designer, environmental professional or construction administrator,

who is registered or licensed to practice such person's profession in accordance with the applicable provisions of the general statutes, or [(2)] (B) any planner or financial specialist;

- [(c)] (3) "Consultant services" [shall include] <u>includes</u> those professional services rendered by architects, professional engineers, landscape architects, land surveyors, accountants, interior designers, environmental professionals, construction administrators, planners or financial specialists, as well as incidental services that members of these professions and those in their employ are authorized to perform;
- [(d) "University of Connecticut library project" means a project to renovate and improve the Homer Babbidge Library at The University of Connecticut;
  - [(e)] (4) "Firm" means any individual, partnership, corporation, joint venture, association or other legal entity [(1)] (A) authorized by law to practice the profession of architecture, landscape architecture, engineering, land surveying, accounting, interior design, environmental or construction administration, or [(2)] (B) practicing the profession of planning or financial specialization;
  - [(f)] (5) "Priority higher education facility project" means any project which is part of a state program to repair, renovate, enlarge, equip, purchase or construct [(1)] (A) instructional facilities, [(2)] (B) academic core facilities, including library, research and laboratory facilities, [(3)] (C) student residential or related student dining facilities, or [(4)] (D) utility systems related to such projects, which are or will be operated under the jurisdiction of the board of trustees of any constituent unit of the state system of higher education, except The University of Connecticut provided the project is included in the comprehensive facilities master plan of the constituent unit in the most recent state facility plan of the Office of Policy and Management pursuant to section 4b-23, as amended by this act;
    - [(g)] (6) "Project" means any state program requiring consultant services if the cost of such services is estimated to exceed [three] <u>five</u>

78 hundred thousand dollars;

[(h)] (7) "Selection panel" or "panel" means the State Construction Services Selection Panel established pursuant to subsection (a) of section 4b-56 or, in the case of a Connecticut Health and Education Facilities Authority project pursuant to section 10a-186a, means the Connecticut Health and Education Facilities Authority Construction Services Panel established pursuant to subsection (c) of section 4b-56;

- [(i)] (8) "User agency" means the state department or agency requesting the project or the agency for which such project is being undertaken pursuant to law;
- [(j)] (9) "Community court project" means [(1)] (A) any project to renovate and improve a facility designated for the community court established pursuant to section 51-181c, and [(2)] (B) the renovation and improvement of other state facilities required for the relocation of any state agency resulting from the placement of the community court;
- [(k)] (10) "Connecticut Juvenile Training School project" means a project [(1)] (A) to develop on a designated site new facilities for a Connecticut Juvenile Training School in Middletown including, but not limited to, preparing a feasibility study for, designing, constructing, reconstructing, improving or equipping said facility for use by the Department of Children and Families, which is an emergency project because there is an immediate need for completion of said project to remedy overcrowding at Long Lane School; said school shall have an annual average daily population of not more than two hundred forty residents; or [(2)] (B) to develop a separate facility for girls including, but not limited to, acquiring of land or buildings, designing, constructing, reconstructing, improving or equipping said facility for use by the Department of Children and Families;
- [(l)] (11) "Downtown Hartford higher education center project" means a project to develop a higher education center, as defined in subparagraph (B) of subdivision (2) of section 32-600, and as described in subsection (a) of section 32-612, for the regional community-

- 110 technical college system;
- [(m)] (12) "Correctional facility project" means any project [(1)] (A)
- 112 which is part of a state program to repair, renovate, enlarge or
- 113 construct facilities which are or will be operated by the Department of
- 114 Correction, and [(2)] (B) for which there is an immediate need for
- completion in order to remedy prison and jail overcrowding; and
- [(n)] (13) "Juvenile detention center project" means any project [(1)]
- 117 (A) which is part of a state program to repair, renovate, enlarge or
- 118 construct juvenile detention centers which are or will be operated by
- the Judicial Department, and [(2)] (B) for which there is an immediate
- need for completion in order to remedy overcrowding.
- Sec. 3. Subsection (a) of section 4b-57 of the general statutes is
- repealed and the following is substituted in lieu thereof (Effective July
- 123 1, 2016):
- 124 (a) Whenever consultant services are required by the commissioner
- in fulfilling the responsibilities under section 4b-1, as amended by this
- act, and in the case of each project, the commissioner shall invite
- responses from such firms by [advertisements inserted at least once in
- one or more newspapers having a circulation in each county in the
- state] posting notice on the State Contracting Portal, except that the
- 130 commissioner may receive consultant services under a contract entered
- into pursuant to subsection (d) of section 4b-51. The commissioner
- shall prescribe, by regulations adopted in accordance with chapter 54,
- 133 the advance notice required for, the manner of submission, and
- 134 conditions and requirements of, such responses.
- Sec. 4. Section 4b-1 of the general statutes is repealed and the
- following is substituted in lieu thereof (*Effective July 1, 2016*):
- 137 The Commissioner of Administrative Services shall (1) be
- 138 responsible for the administrative functions of construction and
- planning of all capital improvements undertaken by the state, except
- 140 (A) highway and bridge construction, the construction and planning of

capital improvements related to mass transit, marine and aviation transportation, (B) the Connecticut Marketing Authority, (C) planning and construction of capital improvements to the State Capitol building or the Legislative Office Building and related facilities by the Joint Committee on Legislative Management, (D) any project as defined in subdivision (16) of section 10a-109c, undertaken by The University of Connecticut, and (E) construction and planning of improvements related to the Judicial Department if such construction and planning do not constitute a project within the meaning of [subsection (g)] subdivision (6) of section 4b-55, as amended by this act, including the preparation of preliminary plans, estimates of cost, development of designs, working plans and specifications, award of contracts and supervision and inspection. For the purposes of this subparagraph (E), the term "Judicial Department" does not include the courts of probate, the Division of Criminal Justice and the Public Defender Services Commission, except where such agencies share facilities in state-maintained courts; (2) select consultant firms in accordance with the provisions of sections 4b-56 to 4b-59, inclusive, to assist in the development of plans and specifications when in the 160 commissioner's judgment such assistance is desirable; (3) render technical advice and service to all state agencies in the preparation and correlation of plans for necessary improvement of their physical plants; and (4) cooperate with those charged with fiscal programming and budget formulation in the development of a capital program and a capital budget for the state.

166 Sec. 5. Subsection (i) of section 4b-23 of the general statutes is 167 repealed and the following is substituted in lieu thereof (Effective July 168 1, 2016):

(i) As used in this subsection, (1) "project" means any state program, except the downtown Hartford higher education center project, as defined in [subsection (1) of] section 4b-55, as amended by this act, requiring consultant services if the cost of such services is estimated to exceed one hundred thousand dollars or, in the case of a constituent unit of the state system of higher education, the cost of such services is

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estimated to exceed three hundred thousand dollars, or in the case of a building or premises under the supervision of the Office of the Chief Court Administrator or property where the Judicial Department is the primary occupant, the cost of such services is estimated to exceed three hundred thousand dollars; (2) "consultant" means "consultant" as defined in section 4b-55, as amended by this act; and (3) "consultant services" means "consultant services" as defined in section 4b-55, as amended by this act. Any contracts entered into by the Commissioner of Administrative Services with any consultants for employment (A) for any project under the provisions of this section, (B) in connection with a list established under subsection (d) of section 4b-51, or (C) by task letter issued by the Commissioner of Administrative Services to any consultant on such list pursuant to which the consultant will provide services valued in excess of one hundred thousand dollars, shall be subject to the approval of the Properties Review Board prior to the employment of such consultant or consultants by the commissioner. The Properties Review Board shall, not later than thirty days after receipt of such selection of or contract with any consultant, approve or disapprove the selection of or contract with any consultant made by the Commissioner of Administrative Services pursuant to sections 4b-1, as amended by this act, and 4b-55 to 4b-59, inclusive, as amended by this act. If upon the expiration of the thirty-day period a decision has not been made, the Properties Review Board shall be deemed to have approved such selection or contract.

Sec. 6. Section 4b-55a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

Notwithstanding any [provisions] <u>provision</u> of this chapter, [to the contrary,] the Commissioner of Administrative Services may select and interview at least three responsible and qualified environmental professionals, and may negotiate with any one of such professionals a contract which is both fair and reasonable to the state in order to conduct the evaluations required by section 22a-1b for a priority higher education facility project, as defined in [subsection (f) of] section 4b-55, as amended by this act.

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Sec. 7. Subdivision (1) of subsection (a) of section 4b-91 of the 210 general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2016):

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- (a) (1) As used in this section, "prequalification classification" means the prequalification classifications established by the Commissioner of Administrative Services pursuant to section 4a-100, "public agency" has the same meaning as provided in section 1-200, [and] "awarding authority" means the Department of Administrative Services, except "awarding authority" means (A) the Joint Committee on Legislative Management, in the case of a contract for the construction of or work on a building or other public work under the supervision and control of the joint committee, or (B) the constituent unit of the state system of higher education, in the case of a contract for the construction of or work on a building or other public work under the supervision and control of such constituent unit and "community court project", "downtown Hartford higher education center project", "correctional facility project", "juvenile detention center project" and "priority higher education facility project" have the same meanings as provided in section 4b-55, as amended by this act.
- 228 Sec. 8. Subdivision (3) of subsection (a) of section 4b-91 of the 229 general statutes is repealed and the following is substituted in lieu 230 thereof (Effective July 1, 2016):
  - (3) The requirements set forth in subdivision (2) of this subsection shall not apply to (A) a public highway or bridge project or any other construction project administered by the Department Transportation, or (B) a contract awarded by the Commissioner of Administrative Services for (i) any public building or other public works project administered by the Department of Administrative Services that is estimated to cost one million five hundred thousand dollars or less, (ii) a community court project, [as defined in subsection (j) of section 4b-55,] (iii) the downtown Hartford higher education center project, [as defined in subsection (l) of section 4b-55,] (iv) a correctional facility project, [as defined in subsection (m) of section 4b-

242 55,] (v) a juvenile detention center project, [as defined in subsection (n)

- of section 4b-55,] or (vi) a student residential facility for the
- 244 Connecticut State University System that is a priority higher education
- 245 facility project. [, as defined in subsection (f) of section 4b-55.]
- Sec. 9. Subsection (g) of section 4b-91 of the general statutes is
- repealed and the following is substituted in lieu thereof (Effective July
- 248 1, 2016):
- 249 (g) Notwithstanding the provisions of this chapter regarding 250 competitive bidding procedures, the commissioner may select and 251 interview at least three responsible and qualified general contractors 252 who are prequalified pursuant to section 4a-100 and submit the three 253 selected contractors to the construction services award panels process 254 described in section 4b-100a and any regulation adopted by the 255 commissioner. The commissioner may negotiate with the successful 256 bidder a contract which is both fair and reasonable to the state for a 257 community court project, [as defined in subsection (j) of section 4b-55,] 258 the downtown Hartford higher education center project, [as defined in 259 subsection (l) of section 4b-55,] a correctional facility project, [as 260 defined in subsection (m) of section 4b-55, a juvenile detention center 261 project, [as defined in subsection (n) of section 4b-55,] or a student residential facility for the Connecticut State University System that is a 262 263 priority higher education facility project. [, as defined in subsection (f) 264 of section 4b-55.] The Commissioner of Administrative Services, prior 265 to entering any such contract or performing any work on such project, shall submit such contract to the State Properties Review Board for 266 267 review and approval or disapproval by the board, pursuant to 268 subsection (i) of this section. Any general contractor awarded a 269 contract pursuant to this subsection shall be subject to the same 270 requirements concerning the furnishing of bonds as a contractor 271 awarded a contract pursuant to subsection (b) of this section.
- Sec. 10. Subsection (j) of section 4b-91 of the general statutes is
- 273 repealed and the following is substituted in lieu thereof (Effective July
- 274 1, 2016):

(i) No person whose subcontract exceeds five hundred thousand dollars in value may perform work as a subcontractor on a project for the construction, reconstruction, alteration, remodeling, repair or demolition of any public building or any other public work by the state or a municipality, except a public highway or bridge project or any other construction project administered by the Department of Transportation, which project is estimated to cost more than five hundred thousand dollars and is paid for, in whole or in part, with state funds, unless, at the time of the bid submission, the person is pregualified in accordance with section 4a-100. The provisions of this subsection shall not apply to the downtown Hartford higher education center project. [, as defined in subsection (l) of section 4b-55.]

- 287 Sec. 11. Section 17a-27b of the general statutes is repealed and the 288 following is substituted in lieu thereof (*Effective July 1, 2016*):
- 289 Notwithstanding any provision of the general statutes 290 regulations adopted thereunder or any public or special act, the 291 Connecticut Juvenile Training School project, as defined in [subsection
- 292 (k) of section 4b-55, as amended by this act, shall be exempt from the 293 provisions of subsections (b) to (i), inclusive, of section 4b-21, sections
- 294 4b-23, 4b-28, 14-311, 16a-31, 16a-38, 22-6, 22a-6, 22a-12, 22a-14 to 22a-
- 295 20, inclusive, 22a-39, 25-32 and 29-406 and chapter 54.
- 296 Sec. 12. Section 17a-27d of the general statutes is repealed and the 297 following is substituted in lieu thereof (*Effective July 1, 2016*):
- 298 The Commissioner of Administrative Services may negotiate a sole 299 source contract for the architectural services and design for the 300 Connecticut Juvenile Training School project, as defined in [subsection
- 301 (k) of section 4b-55, as amended by this act.
- 302 Sec. 13. Subsections (b) and (c) of section 22a-1f of the general statutes are repealed and the following is substituted in lieu thereof 303 304 (*Effective July 1, 2016*):
- 305 (b) Environmental impact evaluations shall not be required for the

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Connecticut Juvenile Training School project, as defined in [subsection (k) of] section 4b-55, <u>as amended by this act</u>, and the extension of such project otherwise known as the Connecticut River Interceptor Sewer Project, or a project, as defined in subdivision (16) of section 10a-109c, which involves the conversion of an existing structure for educational rather than office or commercial use.

(c) A constituent unit of the state system of higher education may provide for environmental impact evaluations for any priority higher education facility project, as defined in [subsection (f) of] section 4b-55, as amended by this act, or for any higher education project involving an expenditure of not more than two million dollars, by (1) reviewing and filing the evaluation for such project with the Office of Policy and Management for its review pursuant to section 22a-1e, or (2) including such project in a cumulative environmental impact evaluation approved by the Office of Policy and Management.

| This act shall take effect as follows and shall amend the following |              |                   |  |  |
|---|--------------|-------------------|--|--|
| sections:   |              |                   |  |  |
|   |              |                   |  |  |
| Section 1   | July 1, 2016 | 4b-24b(b)         |  |  |
| Sec. 2  | July 1, 2016 | 4b-55             |  |  |
| Sec. 3  | July 1, 2016 | 4b-57(a)          |  |  |
| Sec. 4  | July 1, 2016 | 4b-1              |  |  |
| Sec. 5  | July 1, 2016 | 4b-23(i)          |  |  |
| Sec. 6  | July 1, 2016 | 4b-55a            |  |  |
| Sec. 7  | July 1, 2016 | 4b-91(a)(1)       |  |  |
| Sec. 8  | July 1, 2016 | 4b-91(a)(3)       |  |  |
| Sec. 9  | July 1, 2016 | 4b-91(g)          |  |  |
| Sec. 10   | July 1, 2016 | 4b-91(j)          |  |  |
| Sec. 11   | July 1, 2016 | 17a-27b           |  |  |
| Sec. 12   | July 1, 2016 | 17a-27d           |  |  |
| Sec. 13   | July 1, 2016 | 22a-1f(b) and (c) |  |  |

**GAE** Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### **OFA Fiscal Note**

## State Impact:

| Agency Affected     | Fund-Effect  | FY 17 \$ | FY 18 \$ |
|---------------------|--------------|----------|----------|
| Admin. Serv., Dept. | GF - Savings | Minimal  | Minimal  |

Note: GF=General Fund

## Municipal Impact: None

## Explanation

The bill eliminates the requirements that the Department of Administrative Services (DAS) place newspaper advertisements for bidding opportunities for certain public works projects and consultant services. It requires that these advertisements be posted on the DAS State Contracting Portal. This will result in a minimal savings as DAS has expended an average of \$7,000 in the last three fiscal years advertising these construction contract opportunities.

The bill also revises the definition of a construction project by increasing the threshold from \$300,000 to \$500,000 by which a selection panel process is necessary. The increased threshold would result in approximately 10 projects not being subject to the selection panel. This is not anticipated to result in a fiscal impact.

#### The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis sHB 5228

AN ACT CONCERNING THE NOTIFICATION OF DEPARTMENT OF ADMINISTRATIVE SERVICE PROJECTS AND THE DEFINITION OF "PROJECT".

## **SUMMARY:**

This bill eliminates requirements that the Department of Administrative Services (DAS) advertise, in a newspaper, bidding opportunities for (1) public works projects that use the design-build delivery method and (2) consultant services (e.g., architectural services, professional engineers, and accountants). Under existing law and the bill, it must advertise these opportunities on the State Contracting Portal website (§§ 1 & 3).

The bill also increases, from \$300,000 to \$500,000, the threshold at which DAS must use the selection panel process to award consultant services contracts (§ 2). By law, DAS must establish a selection panel to evaluate consultant services proposals if the cost of those services exceeds the threshold. The panel must submit a list of the most qualified firms to the DAS commissioner, who must negotiate a contract with the firm ranked most qualified by the panel. Panels consist of three members for projects of less than \$5 million and five members for projects of \$5 million or more (CGS §§ 4b-56 to 4b-58).

Lastly, the bill repeals obsolete language concerning UConn's Homer Babbidge Library and makes technical changes (§§ 2 & 4-13).

EFFECTIVE DATE: July 1, 2016

#### COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 13 Nay 0 (02/29/2016)